

CRITIQUE OF ADMINISTRATIVE OFFICERS CONFERENCE

Although I am unable to compare this conference with others, I am confident that it was equal in quality -- perhaps even better. The caliber of the speakers, their material and presentations were in my opinion uniformly excellent.

The schedule was well planned and smoothly executed. The choice of subject material was varied, timely and most informative. The presentations were thought-provoking although in several instances notably finance and medical there were several questions left unanswered.

The interest and enthusiasm of both speakers and the majority of the conferences was most evident and aided materially in making the three days an unqualified success.

ADMINISTRATIVE OFFICERS CONFERENCE

27 - 29 October 1958

Critique

I GENERAL

I thought the conference was highly instructive and most beneficial. It afforded an opportunity to ask key officials (and to hear their answers to questions from others) about topics that generate a multiplicity of questions. More important though - it gave all of us a chance to get to know each other better in an informal atmosphere that cannot be duplicated here in Washington.

II AGENDA

It was well planned and well balanced. I was particularly pleased with the appearance of an area division chief and would suggest that this be repeated (with a new face each time) at each successive conference.

III PRESENTATION

Uniformly good. However, the Comptroller's representatives were a little weak in fielding questions on Financial Management Improvement.

IV PARTICIPANTS

I think the list of "students" was right "on the nose". The group was not too small and not too large. I was particularly gratified to see the obvious interest General Cabell, Colonel White and Mr. Lloyd displayed in the conference. Not only were they present but they seemed actively interested.

V FACILITIES

Excellent - especially the food! However, we might do well to set a 2:00 a.m. curfew at future gatherings.

VI MISCELLANEOUS

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I join [REDACTED] in the hope that one or more senior operational people might sit in as "students" in future conferences. They would liven up some of the discussions and probably pitch them on a little more impersonal plane.

While I would personally very much enjoy having a conference every six months, I think it might be unwise to meet so frequently. Others might think we're making too much of a good thing. Annual meetings would seem wiser to me.

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ADMINISTRATIVE PLANS AND FISCAL ANNEXES

Questions for Discussion

27 October 1958

1. You determine if Administrative Plans and Fiscal Annexes are serving their purpose by continuous review of the conduct of the projects. This is generally done by routine review of all project accountings, by periodic checks with the case officers, and by careful re-examination of such plans when the projects are renewed. There are other occasions too when such reviews are in order - periodic audits, I & R reviews, IG investigations, etc.

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When I was in EE and also in [REDACTED] I delegated to the B & F officer the primary task of following-up on compliance. This was accomplished in EE largely by a review of field audits and discussions with the headquarters' case officers. In [REDACTED] it was done through the review of monthly accountings and discussions with case officers.

You determine that an amendment is necessary when the case officer tells you of some impending change that can't be accommodated by the existing plan or when you discover by reviewing accountings that circumstances are changing so that future accountings may run into suspensions unless the administrative plans are updated.

2. It would be folly to try to prepare plans and annexes - at least in the EE Area - without first getting field comments. In fact, the field should provide practically all the material for such plans.

3. By getting common agreement on such matters from: the field case officer, the headquarters case officer, and the two command groups, You have no guarantee at the outset that the field case officer (the really key man in the picture) is always leveling, but it doesn't take long in the life of a project to smoke this out. And I certainly don't believe this is a serious problem in EE.

4. Frankly, I don't recall enough cases on this point to make a useful observation. It is certainly my personal view, however, that we should generally encourage operational loans in lieu of gifts. Loans strengthen agent control, whereas indiscriminate gifts undermine the agent's respect for his case officer and may lead to some pretty sloppy financial practices by both the agent and the case officer.

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5. I heartily endorse the idea.

6. To be perfectly honest, I left this task in the very capable hands of my B & F officers - over whose shoulders the auditor regularly looked. I intervened only in problem cases. The B & F officer in [REDACTED] keeps a card on every project and notes on the card any special administrative requirements in the project. He refers to this card each month when reviewing the project accounting and thus has an automatic follow-up on special provisions.

7. This was never a problem for me. Indeed, the only problem I experienced along this line was the occasional need to prevent case officers from putting too much sensitive material in administrative documents. In EE we got practically all our information from the headquarters case officers and the field proposal. In [redacted] the information came from the local case officer and his branch chief. We always had access to case officers and to any of their case files that might be needed. 25X1A6a

8. I'll have to guess that "direct" project means the normal run-of-the-mill project. The key characteristic that signals the need for an administrative plan or fiscal annex is the expectation of doing something which lies outside the bounds of existing regulations. The plan or annex provides an exception to cover this feature.

9. Certainly! There's no use doing a lot of extra work for nothing. Good advice is cheap.

10. Probably not enough. New plans and annexes are in pretty good shape. But we were a little timid about pruning old ones that had already survived coordination unless, of course, they required major overhaul for some substantive reason.

11. Yes. However, this is not because I think bureaucracy ought to be extended a la [redacted]. Rather, I feel pretty sure that some PI projects 25X1A9a slip through (simply because there are so many and the price tags are usually low) which really require annexes. Some of these pop up in audits. Others are probably covered over by bonuses or operational gifts when the omissions are discovered by the case officers.

12. This one requires a lot of thought to answer properly. But off-hand, I'd say that some cross reference to contracts should appear in a plan or annex - at least enough to put everything in perspective so you can tell what the project is really going to cost. The budget section of the project isn't always an accurate statement of costs, particularly contingent costs.

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